



**LAC
DMH**

LOS ANGELES COUNTY
DEPARTMENT OF
MENTAL HEALTH 500 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



ROBIN KAY, PH.D.
Acting Director

DENNIS MURATA, M.S.W.
Acting Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

June 08, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

20 June 8, 2016

LORI GLASGOW
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL TO AMEND EIGHT EXISTING LEGAL ENTITY AGREEMENTS FOR THE
EXPANSION OF MENTAL HEALTH SERVICES FOR FISCAL YEAR 2015-16
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to amend eight existing Department of Mental Health Legal Entity Agreements for the expansion of mental health services for Fiscal Year 2015-16.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Acting Director of Mental Health (Acting Director), or her designee, to prepare, sign, and execute amendments, substantially similar to Attachment I, for eight existing Department of Mental Health (DMH) Legal Entity (LE) Agreements as listed on Attachment II to provide additional mental health services. These amendments will be effective upon your Board's approval and will increase various categories of funded programs in the total amount of \$2,505,665 for all eight contractors. The increases to the Contractors' Maximum Contract Amounts (MCAs) are listed on Attachment II and will apply for Fiscal Year (FY) 2015-16.
2. Delegate authority to the Acting Director, or her designee, to prepare, sign, and execute future amendments to the LE Agreements listed on Attachment II and, for each contract, establish as a new MCA for FY 2015-16 the aggregate of the original agreement and all amendments provided that: 1) the County's total payment to each contract provider for each fiscal year does not exceed an increase of 25 percent from the applicable MCA to be applied for FY 2015-16, which the Board is being asked to approve in Attachment II; 2) any such increase is used to provide additional services or to reflect program and/or policy changes; 3) your Board has appropriated sufficient funds for all

changes; 4) approval as to form by County Counsel, or designee, is obtained prior to any such amendment; and 5) the Acting Director, or her designee, notifies your Board and the Chief Executive Officer (CEO) of Agreement changes in writing within 30 days after execution of each amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the requested actions will allow DMH to amend its LE Agreements with each contractor listed on Attachment II to provide additional mental health services for FY 2015-16.

As a routine business practice, DMH examined its contractors' estimated service delivery needs and determined that the LE Contractors listed on Attachment II would require additional funds for these LE Contractors to meet the increased demands of providing mental health services to targeted populations for FY 2015-16.

Consequently, your Board's approval is necessary to amend these eight LE Agreements because DMH has already utilized its previously Board approved 25 percent delegated authority for FY 2015-16 for these specific contractors.

In addition, two of the eight LE Agreements, El Centro De Amistad and Pacific Asian Counseling Services, exceeded their delegated authority in the amounts of \$20,988 and \$13,852, respectively, due to an error in calculation that resulted from two Board letters, adopted a week apart, that impacted the MCAs of these LE Agreements. Through this Board letter, DMH will also correct this calculation error.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The total cost of the increase of these eight amendments is \$2,505,665, fully funded by State Mental Health Services Act (MHSA) revenue in the amount of \$115,488; 2011 Realignment in the amount of \$399,692; and Federal Financial Participation (FFP) in the amount of \$1,990,485. Funding for these amendments is included in DMH's FY 2015-16 Final Adopted Budget.

There is no net County cost impact associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 9, 2015, your Board authorized the Director to renew 65 LE Agreements and amend the remaining 71 LE Agreements that were not renewed, and in doing so approved a MCA for each of the 136 LE Agreements. As part of these June 9, 2015, actions, DMH also asked and was delegated authority to increase the MCAs of all its LE Agreements up to 25 percent of their then approved MCAs to provide for the expansion of mental health services.

Also, on June 2, 2015, your Board authorized the Director to add California Work Opportunity and

Responsibility to Kids (CalWORKs) funding to 20 LE Agreements. EL Centro De Amistad and Pacific Asian Counseling Services were impacted by both the June 2 and June 9 Board letters. Due to the timing of the two Board letters, an error in calculating the delegated authority occurred, that resulted in EL Centro De Amistad and Pacific Asian Counseling Services exceeding their delegated authority. However, because these LE Contractors have not delivered services nor received payment, DMH will correct this error in calculation as part of this Board letter.

Attachment II includes information regarding the eight LE Agreements, the contractor names, the Supervisorial Districts in which their headquarters are located, and the revised MCAs.

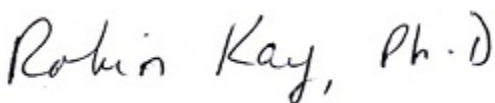
In accordance with your Board Policy Manual, Section No. 5.120, Authority to Approve Increases to Board Approved Contract Amounts requirements, DMH notified your Board on May 25, 2016, (Attachment III), of its intent to request delegated authority of more than 10 percent for these agencies. This authority will allow DMH greater capacity to amend these agreements and implement additional services in a more timely and expeditious manner.

The attached amendment format (Attachment I) has been approved as to form by County Counsel. DMH clinical and administrative staff will administer and monitor the agreements, evaluate programs to ensure that quality services are being provided to clients, and make certain that agreement provisions and departmental policies are followed.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the proposed actions will allow the LE Contractors to maintain business continuity in the provision of current mental health services to severely and persistently mentally ill adults, seriously emotionally disturbed children, adolescents, and their families throughout the County of Los Angeles.

Respectfully submitted,



ROBIN KAY, Ph.D.

Acting Director of Mental Health

RK:DM:AB:DKH:pd

Enclosures

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Chairperson, Mental Health Commission

CONTRACT NO. MH121XXX

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this ____nd day of _____, 2016, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated July 1, 201X, identified as County Agreement No. MH121XXX, (hereafter "Agreement"); and or as subsequently amended (hereafter collectively "Agreement"); and (use accordingly)

WHEREAS, for Fiscal Year (FY) 2015-16 only, County and Contractor intend to amend this Agreement only as described hereunder; and

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Prevention Early Intervention Invoice Funded Program funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for El Centro de Amistad*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Prevention Early Intervention MC Funded Program funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for California Institute of Health and Social Services*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Field Capable Clinical Services MC Funded

Programs funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for Didi Hirsch*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Wellness Center MC Funded Programs funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for Didi Hirsch*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the DMH Mental Health Services CGF MC Funded Programs funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for Step Up On Second Street, Inc., Trinity Youth Services, El Dorado Community Service Center and California Institute of Health and Social Services*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Full Service Partnership Non-MC Program funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for Pacific Asian Counseling Services and Step Up On Second Street, Inc.*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Full Service Partnership Invoice Program funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for Pacific Asian Counseling Services and Step Up On Second Street, Inc.*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Full Service Partnership MC Program funds thereby increasing the Maximum Contract Amount (MCA); and (*use this paragraph for Pacific Asian Counseling Services and Step Up On Second Street, Inc.*)

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the Homeless Services MC Funded Program funds thereby increasing the Maximum Contract Amount (MCA). *(use this paragraph for Step Up On Second Street, Inc.)*

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the PATH McKinney MC Funded Program funds thereby increasing the Maximum Contract Amount (MCA); and *(use this paragraph for Step Up On Second Street, Inc.)*

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **increasing** the MHSA Urgent Care Center Program MC funds thereby increasing the Maximum Contract Amount (MCA); and *(use this paragraph for Exodus Foundation)*

WHEREAS, for FY 2015-16 only, County and Contractor intend to amend this Agreement by **decreasing** the DMH Mental Health Services CGF Non-MC Funded Program funds; and *(use this paragraph for El Dorado Community Service Center)*

NOW, THEREFORE, County and Contractor agree that this Agreement shall be amended only as follows:

1. FY 2015-16, Prevention Early Intervention Invoice Funded Program funds are **increased** in the amount of \$_____; *(use this paragraph for El Centro de Amistad)*
1. FY 2015-16 only, Prevention Early Intervention MC Funded Program funds are **increased** in the amount of \$_____; and *(use this paragraph for California Institute of Health and Social Services)*

1. For FY 2015-16, MHSA Field Capable Clinical Services MC Funded Programs funds are **increased** in the amount of \$_____; and (*use this paragraph for Didi Hirsch*)
1. For FY 2015-16, MHSA Wellness Center MC Funded Programs funds are **increased** in the amount of \$_____; and (*use this paragraph for Didi Hirsch*)
1. For FY 2015-16, DMH Mental Health Services CGF MC Funded Programs funds are **increased** in the amount of \$_____; and (*use this paragraph for Institute for Step Up On Second Street, Inc., Trinity Youth Services, El Dorado Community Service Center and California Institute of Health and Social Services*)
1. For FY 2015-16, MHSA Full Service Partnership Non-MC Funded Program funds are **increased** in the amount of \$_____; and (*use this paragraph for Pacific Asian Counseling Services and Step Up On Second Street, Inc.*)
1. For FY 2015-16, MHSA Full Service Partnership Invoice Program funds are **increased** in the amount of \$_____; and (*use this paragraph for Pacific Asian Counseling Services and Step Up On Second Street, Inc.*)
1. For FY 2015-16, MHSA Full Service Partnership MC Funded Program funds are **increased** in the amount of \$_____; and (*use this paragraph for Pacific Asian Counseling Services and Step Up On Second Street, Inc.*)
1. For FY 2015-16, Homeless Services MC Funded Program funds are **increased** in the amount of \$_____; and (*use this paragraph for Step Up On Second Street, Inc.*)

1. For FY 2015-16, PATH McKinney MC Funded Program funds are **increased** in the amount of \$ _____; and (*use this paragraph for Step Up On Second Street, Inc.*)
1. For FY 2015-16, MHSA Urgent Care Center Program MC funds are **increased** in the amount of \$ _____; and (*use this paragraph for Exodus Foundation*)
1. For FY 2015-16, DMH Mental Health Services CGF Non-MC Funded Program funds are **decreased** in the amount of \$ _____; and (*use this paragraph for El Dorado Community Service Center*)
2. For FY 2015-16, the MCA is **increased** by \$ _____ and the revised MCA is \$ _____.
3. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph C (REIMBURSEMENT FOR INITIAL PERIOD), shall be deleted in its entirety and the following substituted therefor:

“(1) Reimbursement For Initial Period: The MCA for the Initial Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____
_____DOLLARS (\$ _____) and shall consist of Funded Programs as shown on the Financial Summary.” OR

3. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraph D (1) (REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED) shall be deleted in its entirety and the following substituted therefor:

“D. REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED

(1) Reimbursement For First Automatic Renewal Period: The MCA for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____

DOLLARS (\$_____) and shall consist of Funded Programs as shown on the Financial Summary.”

4. Financial Summary (Attachment III) - _ for FY 2015-16, shall be deleted in its entirety and replaced with Financial Summary (Attachment III) - ____ for FY 2015-16 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary (Attachment III) - _ for FY 2015-16, shall be deemed amended to state “Financial Summary (Attachment III) - _ for FY 2015-16.”
5. Contractor shall provide services in accordance with Contractor’s FY 2015-16 Negotiation Package for this Agreement and any addenda thereto approved in writing by the County’s Director of Mental Health or his designee.
6. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Acting Director of Mental Health or her designee, and Contractor has caused this Amendment to be subscribed on its behalf by its duly authorized officer, on the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
ROBIN KAY, Ph.D.
Acting Director of Mental Health

CONTRACTOR

By _____

Name _____

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Interim Chief, Contracts Development
and Administration Division

COUNTY OF LOS ANGELES
DEPARTMENT OF MENTAL HEALTH
FY 2015-16

Attachment II

No.	CONTRACTOR Legal Entity (LE) No.	Sup District (HQ)	Amendment Amount	Revised MCA
1	California Institute of Health and Social Services, Inc. dba Alafia Mental Health Institute 8929 S. Sepulveda Blvd., Suite 201 Los Angeles, CA 90025 LE No. 01192	4	\$448,991	\$3,327,735
2	Didi Hirsch Psychiatric Service 4760 S. Sepulveda Blvd. Culver City, CA 90230 LE No. 00183	2	\$500,023	\$40,931,685
3	El Centro de Amistad 7038 Owensmouth Avenue Canoga Park, CA 91303 LE No. 00185	3	\$20,988	\$4,119,493
4	El Dorado Community Service Center 26460 Summit Circle Avenue Santa Clarita, CA 91350 LE No. 00695	5	\$310,036	\$1,082,356
5	Exodus Foundation dba Exodus Foundation for Recovery 9808 Venice Blvd., Suite 700 Culver City, CA 90232 LE No. 01915	2	\$725,000	\$9,708,759
6	Pacific Asian Counseling Services 8616 La Tijera Blvd., Suite 200 Los Angeles, CA 90045 LE No. 00579	2	\$60,000	\$4,441,986
7	Step Up on Second Street, Inc. 1328 Second St. Santa Monica, CA 90401 LE No. 00215	3	\$279,235	\$7,117,506
8	Trinity Youth Services 11057 Bayse Street El Monte, CA 91731 LE No. 01026	1	\$161,392	\$1,516,272



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



ROBIN KAY, Ph.D.
Acting Director

DENNIS MURATA, M.S.W.
Acting Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

May 25, 2016

TO: Each Supervisor
Robin Kay Ph.D.
FROM: Robin Kay, Ph.D.
Acting Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO
APPROVE A PERCENTAGE INCREASE EXCEEDING TEN PERCENT
OF THE MAXIMUM CONTRACT AMOUNTS OF EIGHT LEGAL ENTITY
AGREEMENTS FOR MENTAL HEALTH SERVICES FOR
FISCAL YEAR 2015-16**

This is to advise your Board that the Department of Mental Health (DMH) is scheduling a Board letter for the June 8, 2016, agenda requesting approval to amend eight Legal Entity (LE) Agreements that have reached their previously approved delegated authority and to establish a new Maximum Contract Amount (MCA) for each LE Agreement. The Board letter also requests an additional fifteen percent for a total of twenty-five percent delegated authority to increase the revised MCAs of the eight LE Agreements.

In accordance with Board of Supervisors Policy No. 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts over ten percent.

JUSTIFICATION

This authority will allow DMH greater capacity to amend contracts to implement funding streams, programs, and services in an expeditious manner. It will also allow DMH and its LE contractors to maintain business continuity in the provision of current mental health services to severely and persistently mentally ill adults and seriously emotionally disturbed children, adolescents, and their families throughout the County of Los Angeles. In most instances where speed and response time are of key importance, the increased delegated authority will allow DMH and its network of contract agencies to maximize, prioritize, and increase access to services on a continuous and ever-increasing basis to its ever-growing clientele, which more effectively meets the County's mission, "To Enrich Lives Through Effective And Caring Service."

Each Supervisor
May 25, 2016
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NOTIFICATION TIMELINE

Consistent with the procedures of Board Policy No. 5.120, we are informing your Board of our intention to proceed with filing the Board letter with the Executive Office of the Board of Supervisors for the June 8, 2016, Board meeting.

If you have any questions or concerns, please contact me, or your staff may contact Angel Baker, Interim Chief, Contracts Development and Administration Division, at (213) 738-4684.

RK:DM:AB:DKH:pd

c: Executive Office, Board of Supervisors
 Chief Executive Office
 County Counsel
 Dennis Murata, M.S.W.
 Kimberly Nall
 Angel Baker